

June 16, 2005

**OWNER OF MORTGAGE BROKERAGE FIRM PLEADS
GUILTY IN \$10 MILLION REAL ESTATE MORTGAGE FRAUD**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation; BYRAM TICHENOR, Special Agent-In-Charge of the Chicago Field Office of the Internal Revenue Service–Criminal Investigation (“IRS-CI”); LOUIS BIANCHI, McHenry County State’s Attorney, and HOWARD PARTH, Chief of the Crystal Lake Police Department, today made the following announcement:

Yesterday, in federal court in Rockford, **DOROTHY KAWA**, 36 (DOB: 7/29/68), 6313 West Cuyler, Chicago, Illinois, pled guilty to federal charges of wire fraud and money laundering in connection with a \$10 million dollar real estate mortgage fraud.

The charges to which Kawa pled guilty are part of a 37-count indictment that was returned by a federal grand jury in Rockford on April 8, 2004. That indictment charged eleven individuals with wire fraud, mail fraud, and money laundering. The indictment alleges that the defendants defrauded several banks and other lenders out of millions of dollars by conducting numerous fraudulent real estate closings.

Kawa is the owner of a mortgage brokerage firm known as Northwest Fidelity Mortgage Corporation, which is located in Morton Grove, Illinois. As a mortgage broker, Kawa arranged for her customers to receive loans to finance their real estate purchases. In pleading guilty today, Kawa admitted that she knowingly arranged loans for individuals who were acting as “straw” buyers of properties controlled by the leaders of the scheme. These “straw” buyers had no real interest in buying or selling the real estate for which they obtained loans. Instead, they were merely posing as “buyers” so that the leaders of the scheme could obtain the loan proceeds from these fraudulent real estate transactions.

The sentencing hearing for Kawa has been scheduled for August 26, 2006, at 10:00 a.m. The sentencing will be conducted by United States District Judge Philip G. Reinhard. The wire fraud count to which Kawa pleaded guilty carries a maximum sentence of up to thirty years of imprisonment, a fine of up to \$1,000,000, and restitution. The money laundering count carries a maximum sentence of up to twenty years of imprisonment, a fine of up to \$250,000, and restitution. Kawa’s actual sentence will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

To date, five other defendants in the case have also pleaded guilty. They are:

JAN ROZYCKA, 42, 3701 North Harding, Chicago, Illinois, also known as “Jan Rozycki,” also known as “John Hanus,” also known as “Jarek,” also known as “John Krzinski.” On August 25 2004, Rozycka pled guilty to two counts of wire fraud. In pleading guilty, Rozycka admitted that he was one of the organizers and leaders of the fraudulent real estate closing scam. Specifically, Rozycka admitted that he recruited other participants in the scheme to falsely pose as the buyers and sellers of real estate that they had no actual interest in buying or selling (“straw buyers” and “straw sellers”). Rozycka further admitted that, at the fraudulent closings, he provided to the title companies fraudulent “Mortgage Releases.” These bogus releases falsely represented that the banks and lenders who held the previous mortgages against the real estate had released their mortgages. Acting in reliance on these mortgage releases, the title companies disbursed the loan funds to Rozycka and the other scheme participants. Rozycka has not yet been sentenced.

IGNACY KONDRAD, 48, 2862 North Milwaukee Avenue, Chicago, Illinois, also known as “Piotr Poltorak,” also known as “Jan Jestal.” On June 8, 2004, Kondrad pled guilty to one count of money laundering. In pleading guilty, Kondrad admitted that he laundered approximately \$4.5 million of the proceeds from the fraudulent real estate closings through four bank accounts that he had opened in false names. On December 30, 2004, United States District Judge Philip G. Reinhard sentenced Kondrad to 63 months in prison, ordered Kondrad to pay \$4,463,135.39 in restitution, and further ordered him to forfeit all funds that were seized from one of the bank accounts that he had used during the scheme. Judge Reinhard also ordered that, after Kondrad completes his prison sentence, he will be surrendered to the Bureau of Immigration and Customs Enforcement for deportation proceedings.

WALDEMAR WILKIEWICZ, 28, 3153 North Hamlin, Chicago, Illinois, also known as “Robert Karolkiewicz.” On May 28, 2004, Wilkiewicz pled guilty to one count of wire fraud. In his guilty plea, Wilkiewicz admitted that, using the false name of “Robert Karolkiewicz,” he posed as a straw seller at two fraudulent closings in Crystal Lake on September 23, 2003. On August 6, 2004, Judge Reinhard sentenced Wilkiewicz to 18 months in federal prison. Judge Reinhard also ordered that, after his prison sentence is completed, Wilkiewicz will be surrendered to the Bureau of Immigration and Customs Enforcement for deportation proceedings.

ZBIGNIEW RECKO, 35, last known address of 3901 North Tripp Avenue, Number 310, Chicago, Illinois, also known as “Robert Karolkiewicz,” also known as “Tomasz Wozny,” also known as “Tomasz Romanzuk,” also known as Tomasz Godowski,” also known as “Bradley Anatol Wawreniuk,” also known as “Roman Parczewski.” On September 28, 2004, Recko pled guilty to one count of wire fraud. In pleading guilty, Recko admitted that

he acted as a “straw” seller, using several different false identities, at six of the fraudulent real estate closings. Recko has not yet been sentenced.

JULITA URAMOWSKA, 31, 3903 Grand Avenue, Western Springs, Illinois, also known as “Julie Smalley.” On October 6, 2004, Uramowska pled guilty to one count of wire fraud. Uramowska was employed as a loan officer for P & I Financial Group, a mortgage brokerage firm located in Northbrook, Illinois. In her guilty plea, Uramowska admitted that she knowingly arranged financing for a “straw” buyer of one of the properties involved in the scam.

Judge Reinhard has scheduled the trial for the five remaining defendants for July 18, 2005. Those remaining defendants are:

MICHAEL SKATULSKI, 32, 1808 South Michigan Avenue, number 37, Chicago, Illinois, also known as “Michael Novak,” charged with four counts of wire fraud and two counts of mail fraud;

MAGDALENA BANASIK, 53, 6006 West Miami, Chicago, Illinois, charged with six counts of wire fraud, two counts of mail fraud, and three counts of money laundering;

ROBERT KAROLKIEWICZ, 40, 3109 North Octavia, Chicago, Illinois, charged with three counts of wire fraud and three counts of money laundering;

IOAN CORSIUC, 63, 4869 North Kilbourn Avenue, Chicago, Illinois, charged with five counts of wire fraud and one count of money laundering; and

BOZENA SAUCIUC, 43, 204 Lake Shore Drive, Oakwood Hills, Illinois, charged with four counts of wire fraud and one count of money laundering.

Members of the public are reminded that an indictment is only a charge and is not evidence of guilt. Each of these remaining defendants is entitled to a fair trial at which the government has the burden of proving his or her guilt beyond a reasonable doubt.

The case is being investigated by the Rockford offices of the FBI and IRS-CI. The case is being prosecuted in federal court by Assistant United States Attorney SCOTT A. VERSEMAN. The investigation was initiated on September 23, 2003, when the Crystal Lake Police Department arrested Rozycka, Kondrad, and Wilkiewicz on forgery charges after they conducted a fraudulent real estate closing in Crystal Lake. The Crystal Lake Police Department and the McHenry County State’s Attorney’s Office are assisting in the federal investigation.

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